



# Overview of SB 800 – General Government

Governor's Proposed Amendments to 2022-24 Budget

January 24, 2023

# Overview of General Government

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Proposed amendments in SB 800 result in a **net increase of \$947.6 million** over the biennium:

- \$905.2 million GF (FY 2023: \$234.2 million; FY 2024: \$671.0 million)
- \$55.3 million NGF (FY 2023: \$12.5 million; FY 2024: \$42.7 million)
  - NGF total includes a total reduction of \$11.1 million in the Internal Service Fund (GF derived from other agencies), based largely upon lower than anticipated utilization of the Virginia Information Technologies Agency (VITA).
  - However, new spending proposals under General Government funded out of Internal Service total \$69.0 million without increasing corresponding GF allocations at other agencies.

Highlights include:

- \$305.0 million GF in one-time bonuses;
- \$250.0 million GF one-time deposit to VRS to reduce unfunded liability;
- \$47.5 million (\$46.3 million GF; \$1.2 million NGF) in targeted salary increases;
- \$15.0 million GF in new money for the Office of the Chief Transformation Officer; and
- The establishment of the Office of Data Governance and Analytics (ODGA) as a new agency.

# Employee Compensation

- SB 800, as introduced, includes \$305.0 million GF in FY 2024 to provide bonuses and incentives for state and state-supported employees.

Proposed GF Amendments for the 2022-24 Biennium (\$ in millions)	FY 2024
Merit Bonus, Full-Time State Employees*	\$100.0
Flat-Rate Bonus (\$1,500), Full-Time State Employees	99.8
Department of Education Instructional Staff, Merit Bonus	50.0
Department of Education Instructional and Support Staff, Retention Bonus	45.2
Department of Education Recruitment Incentive, Hard-to-Staff Positions and Schools	10.0
<b>Total</b>	<b>\$305.0</b>

*\*Contingent upon receipt of anticipated tax revenue.*

# Targeted Compensation Overview

- SB 800, as introduced, includes \$46.3 million GF and \$1.2 million NGF in targeted compensation actions for state and state-supported employees.

Proposed Targeted Compensation Amendments for the 2022-24 Biennium (\$ in millions)	FY 2024 Proposed
Compensation Board: Deputy Sheriffs and Regional Jail Officers – Salary Compression	\$13.9
Behavioral Health Food Service and Housekeeping Staff – Salary Alignment	9.0
Department of Corrections: Corrections, Parole, Probation Officers – Salary Increases	8.6
Indigent Defense Commission: Public Defenders – Salary Compression	7.4
State Police: Sworn Positions – Salary Compression	2.0
Marine Resources Commission: Law Enforcement Officers – Salary Compression	1.8
Conservation and Recreation: Law Enforcement Officers – Salary Compression	0.4
Department of Health: Chief Medical Examiner’s Office – Salary Increases	1.5
Virginia School for the Deaf and Blind: Instructional and Support Staff – Salary Alignment	1.1
Office of the Attorney General: Non-Attorney Staff – Salary Increases	0.5
Virginia Criminal Sentencing Commission: Salary Increases	0.1
Wildlife Resources: Law Enforcement Officers – Salary Compression (NGF)	1.2

# Executive Offices: Summary of Proposed Amendments

Proposed Amendments for 2022-24 Biennium (\$ in millions)	FY 2024 GF
<b>Lieutenant Governor</b>	
Security Services (contract)	\$0.5
Operational Support Positions (2.0 FTEs)	<u>0.2</u>
<b>Subtotal, Lieutenant Governor</b>	<b>\$0.7</b>
<b>Office of the Attorney General</b>	
Witness Protection Program (component of Bold Blue Line Initiative)	\$2.5
Salary Increases for Non-Attorney Staff	0.6
Cannabis Consumer Protection Investigative Staff (5.0 FTEs)	0.5
Organized Retail Crime Task Force (3.0 FTEs)	0.4
Implementation of Proposed Hemp Legislation (3.0 FTEs)	0.4
Ratepayer Advocacy Staff (2.0 FTEs)	0.3
Fund for Commonwealth's Opioid Settlement Receipts (Language Only)	=
<b>Subtotal, Office of the Attorney General</b>	<b><u>\$4.6</u></b>
<b>Total, Executive Offices</b>	<b>\$5.4</b>

# Judicial: Summary of Proposed Amendments

Proposed GF Amendments for 2022-24 Biennium (\$ in millions)	FY 2024
IDC: Address Salary and Compression in Public Defender Offices	\$7.4
Supreme Court: Funding for Specialty Dockets	3.5
Increase Retired Judge Per Diem (\$250 to \$400 per day)	1.7
Supreme Court: Human Resources and Fiscal Staff (3.0 FTEs)	0.3
Supreme Court: Revert Criminal Fund Balances (\$32.9 million – Language)	-
Court of Appeals: Staffing to Address Caseload (3.0 FTEs)	0.4
Criminal Sentencing Commission: Address Recruitment and Retention	<u>0.1</u>
<b>Total, Judicial</b>	<b>\$13.4</b>

# Administration: Summary of Proposed Amendments

Proposed GF Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
<b>Compensation Board</b>			
Sworn Sheriffs' Deputies, Regional Jail Staff: Salary Compression Adjustment	\$0.0	\$13.9	\$13.9
Pilot Program for Court-Ordered Transportation (1.0 Position)	-	4.1	4.1
Constitutional Officers: Salary Increases to Reflect Population Increases	0.1	0.1	0.3
Constitutional Officers: Salary Increases (based on career development completion)	-	0.1	0.1
Information Technology Increases	<0.1	<0.1	<0.1
Net-zero Transfer for Behavioral Health Positions Between Fiscal Years	<u>(0.6)</u>	<u>0.6</u>	<u>0.0</u>
<b>Subtotal, Compensation Board</b>	<b>(\$0.4)</b>	<b>\$18.7</b>	<b>\$18.3</b>

# Administration: Summary of Proposed Amendments

Proposed GF Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
<b>Department of General Services</b>			
Expand Capacity for Tuberculosis Testing (2.0 Positions)	\$0.0	\$1.1	\$1.1
Update Capitol Square Master Site Plan	=	<u>0.5</u>	<u>0.5</u>
<b>Subtotal, Department of General Services</b>	<b>\$0.0</b>	<b>\$1.6</b>	<b>\$1.6</b>
<b>Department of Human Resource Management</b>			
Provide Support for Human Resource Shared Services Center GF	<u>\$0.1</u>	<u>\$0.4</u>	<u>\$0.5</u>
<b>Subtotal, Department of Human Resource Management</b>	<b>\$0.1</b>	<b>\$0.4</b>	<b>\$0.5</b>



# Administration: Summary of Proposed Amendments

Proposed Amendments for 2022-24 Biennium (\$ in millions)	FY 2024 GF	FY 2024 NGF	Total
<b>Virginia Information Technologies Agency</b>			
Adjust Appropriation to Reflect Internal Service Fund Charges	\$0.0	(\$31.9)	(\$31.9)
Adjust Appropriation to Reflect Expanded Capabilities and Offerings	-	12.2	12.2
Funding for Extended Mainframe Support	-	3.1	3.1
Adjust Appropriation to Reflect Costs for Governor's IT (2.0 FTEs)	-	3.0	3.0
Fund Creation of Statewide Permit Evaluation Application	0.9	-	0.9
Evaluate Options for Central Portal for State Government Services	0.5	-	0.5
Increase Multi-Supplier Model Contract Oversight	-	<u>\$0.4</u>	<u>0.4</u>
<b>Subtotal, Virginia Information Technologies Agency</b>	<b>\$1.4</b>	<b>(\$10.4)</b>	<b>(\$10.4)</b>
<b>Total, Administration Amendments</b>	<b>\$22.1</b>	<b>(\$9.7)</b>	<b>\$12.4</b>

# Finance: Summary of Proposed Amendments

Proposed Amendments for 2022-24 Biennium (\$ in millions)	FY 2022-24 GF	FY 2022-24 NGF	Total
<b>Department of Accounts</b>			
Realign Support for Statewide Single Vendor Database (12.0 Positions)	\$0.0	\$1.1	\$1.1
Expand Quality Assurance Unit (5.0 Positions)	0.6	-	0.6
Extend Firewall Services for Cardinal	-	0.5	0.5
Adjust Rates and Appropriation for the Payroll Service Bureau	=	<u>0.5</u>	<u>0.5</u>
<b>Subtotal, Department of Accounts</b>	<b>\$0.6</b>	<b>\$0.6</b>	<b>\$0.6</b>
<b>Department of Accounts Transfer Payments</b>			
Mandatory Revenue Stabilization Fund Deposit	\$406.0	\$406.0	\$406.0
One-Time Deposit to VRS	250.0	0.0	250.0
Advance from Reservation Deposit Fund to Revenue Reserve Fund (Language)	=	=	=
<b>Subtotal, Department of Accounts Transfer Payments</b>	<b>\$250.0</b>	<b>\$406.0</b>	<b>\$656.0</b>

# Finance: Summary of Proposed Amendments

Proposed Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
<b>Department of Planning and Budget</b>			
Provide Funding for Three New Analysts	\$0.0	\$0.3	\$0.3
Replace the Regulatory Town Hall (\$3.0 million Working Capital Advance)	<u>0.0</u>	<u>Language</u>	<u>Language</u>
<b>Subtotal, Department of Planning and Budget</b>	<b>\$0.0</b>	<b>\$0.3</b>	<b>\$0.3</b>
<b>Department of Taxation</b>			
Review of Revenue Management System	\$0.0	\$0.3	\$0.3
Mandate Online Registration for New Businesses	<u>0.0</u>	<u>&lt;0.1</u>	<u>&lt;0.1</u>
<b>Subtotal, Department of Taxation</b>	<b>\$0.0</b>	<b>\$0.2</b>	<b>\$0.2</b>

# Finance: Summary of Proposed Amendments

Proposed GF Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
<b>Department of the Treasury</b>			
Adjust Funding to Process Taxpayer Relief Checks	\$0.5	\$0.0	\$0.5
Information Technology Disaster Recovery Services	<u>0.0</u>	<u>&lt;0.1</u>	<u>&lt;0.1</u>
<b>Sub-Total (Treasury)</b>	\$0.5	\$<0.1	\$0.5
<b>Treasury Board</b>			
Adjust Debt Service Appropriation	\$1.3	(\$3.2)	(\$1.9)
Savings from Bond Defeasances	<u>(8.1)</u>	<u>0.0</u>	<u>(8.1)</u>
<b>Sub-Total (Treasury Board)</b>	<b>(\$6.8)</b>	<b>(\$3.2)</b>	<b>(\$9.9)</b>
<b>Total – Department of Finance</b>	<b>\$244.0</b>	<b>\$403.7</b>	<b>\$647.7</b>

# Central Appropriations: Summary of Proposed Amendments

Proposed GF Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
Merit Bonus, Full-Time State Employees*	\$0.0	\$100.0	\$100.0
Flat-Rate Bonus (\$1,500), Full-Time State Employees	0.0	99.8	\$99.8
Additional Funding for Transformation Initiatives	0	15.0	15.0
Funding for Reimbursement of Presidential Primary Expenses	0.0	5.9	5.9
Funding for Statewide Network Transformation	0.0	5.2	5.2
Increase Funding for Innovative Internship Program and Fund (V-TOP)	0.0	5.0	5.0
Adjust Funding for Line of Duty Act Premiums	0.4	0.9	1.2
Reimbursement for State-Issued Funds for Covid-19 Related Violations	0.0	1.0	1.0
Adjust Funding for Agency Rent Costs	0.0	0.9	0.9
Develop Plan for Relocation of Washington Commanders	0.0	0.5	0.5

*\*Contingent upon receipt of anticipated tax revenue.*

# Central Appropriations: Summary of Proposed Amendments

Proposed GF Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
Support to Agencies for Updated Cardinal Finance System	-	\$0.3	\$0.3
Revert Surplus General Fund Balances (Total: \$6.6M; Language)	-	-	-
Adjust Funding for State Health Insurance Premiums	-	(2.0)	(2.0)
Adjust Funding for Workers' Compensation Premiums	-	(2.6)	(2.6)
Adjust Funding for Changes in Agencies' IT Costs	(2.3)	(0.5)	(2.8)
Reflect One-Time Savings in Higher Education Interest Earnings	(4.8)	-	(4.8)
Align Tech Talent Appropriations with Current Memoranda of Understanding	<u>(2.9)</u>	<u>(2.9)</u>	<u>(5.7)</u>
<b>Subtotal, Central Appropriations – General Fund</b>	<b>(\$9.6)</b>	<b>\$226.5</b>	<b>\$216.9</b>

  

Proposed NGF Amendments for 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024	Total
Adjust Appropriation for ARPA – SLRF Allocations	\$15.4	-	\$15.4
Reflect One-Time Savings in Higher Education Credit Card Rebates	<u>(2.9)</u>	-	<u>(2.9)</u>
<b>Subtotal, Central Appropriations – Nongeneral Funds</b>	<b>\$12.5</b>	<b>-</b>	<b>\$12.5</b>

# Independent Agencies: Summary of Proposed Amendments

Proposed Amendments for 2022-24 Biennium (\$ in millions)	FY 2024
<b>State Corporation Commission</b>	
Implementation Costs for State Health Benefit Exchange (working capital advance) - NGF	\$10.0
Revert General Fund Balance from Plan Management Activities (\$0.4 million GF; Language)	-
<b>Sub-Total (State Corporation Commission)</b>	<b>\$10.0</b>
<b>Virginia Lottery</b>	
Casino Payments to Localities - NGF	<u>\$40.3</u>
<b>Sub-Total (Virginia Lottery)</b>	<b>\$40.3</b>
<b>Virginia Workers' Compensation Commission</b>	
Revert General Fund Balance (\$0.7 million GF; Language)	-
<b>Sub-Total (Virginia Workers' Compensation Commission)</b>	<b>\$0.0</b>
<b>Total, Independent Agencies</b>	<b>\$50.3 NGF</b>